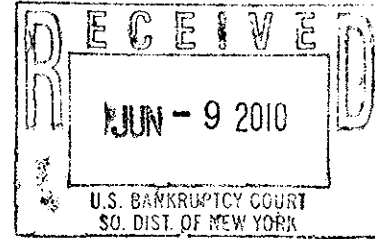


DEPARTMENT OF TAXATION,
STATE OF HAWAII
P. O. Box 259
Honolulu, HI 96809
Attn: Bankruptcy Unit
Telephone: (808) 587-1675



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re

MOTORS LIQUIDATION COMPANY,
ET AL., FKA GENERAL MOTORS
CORP., ET AL.,

Debtors.

CASE NO. 09-50026 (REG)
(Chapter 11)
(Jointly Administered)

Response Deadline:

June 22, 2010, 4:00 p.m.
(ET)

Hearing Deadline:

June 29, 2010, 9:45 a.m.
(ET)

379332

DECLARATION OF ELAYNE LIU REGARDING DEPARTMENT OF
TAXATION, STATE OF HAWAII'S RESPONSE TO DEBTORS'
SEVENTEENTH OMNIBUS OBJECTION TO CLAIMS (TAX CLAIMS
ASSUMED BY GENERAL MOTORS, LLC); EXHIBITS A - B

ELAYNE LIU, pursuant to 28 U.S.C. 1746

declares:

1. I am a Delinquent Tax Collection

Assistant II, Collection Division, for the First

Taxation District (Oahu), Department of Taxation, State of Hawaii (also known as "Hawaii State Tax Collector"). As such, I am authorized and empowered to compute and collect all general excise, income, and other tax liabilities due the State of Hawaii, to file tax liens upon property and rights to property belonging to any person liable to pay tax, to monitor payment of the Debtors' outstanding tax liabilities, to file proofs of claim for outstanding tax liabilities of MOTORS LIQUIDATION COMPANY, et al., fka GENERAL MOTORS CORP., et al., and to enforce such claims, liens, and other rights of the State of Hawaii in respect thereof.

2. As part of my duties, I have been assigned to monitor the above-captioned bankruptcy case to determine whether obligations regarding tax liabilities are being satisfied.

3. I have reviewed the records of the Department of Taxation, State of Hawaii (hereinafter "Hawaii"), relating to MOTORS LIQUIDATION COMPANY, et al., fka GENERAL MOTORS CORP., et al., and am competent

to testify as to the matters stated herein upon my personal knowledge.

4. Debtor MLCS LLC fka SATURN CORPORATION filed a 2007 State of Hawaii corporate income tax return under the tax identification number 38-2577506.

5. Hawaii is informed and believes that Debtor MLCS LLC filed a petition seeking relief under Title 11, United States Code, on or about September 16, 2009.

6. Response to Objection to Claim No. 24287.

a. MLCS LLC filed an objection to Claim No. 24287, for which Hawaii filed a proof of claim on November 13, 2009. The total amount of the proof of claim for net income taxes is unknown because MLCS LLC did not file the proper tax returns. A true and accurate copy of the proof of claim is attached hereto as Exhibit A.

b. The amount of Claim No. 24287 is not on MLCS LLC's books and records because MLCS LLC failed to file returns and pay State of Hawaii corporate net

income taxes as required by Hawaii Revised Statutes sec. 235-92 (2001). A copy of Haw. Rev. Stat. sec. 235-92 is attached hereto as Exhibit B.

7. MLCS LLC has not provided any documentation to support adjustment of Hawaii's claims. "A claim filed pursuant to § 501 enjoys prima facie validity." In the Matter of Missionary Baptist Found. of Amer., 712 F.2d 206, 212 (5th Cir. 1983); Fed. Bankr. R. 3001(f)(1). Unless MLCS LLC can provide proof that the amounts in Hawaii's proof of claims are erroneous, Hawaii's claim is valid and should be allowed.

I declare under penalty of perjury that the foregoing is true and correct.

DATED: Honolulu, Hawaii, JUN 7 2010.



ELAYNE LIU

B 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT Southern District of New York		PROOF OF CLAIM
Name of Debtor MLCS LLC FKA SATURN CORPORATION		Case Number 09-50027 (REG)
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): STATE OF HAWAII, DEPARTMENT OF TAXATION		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: HAWAII STATE TAX COLLECTOR ATTN: BANKRUPTCY UNIT (EL) P O BOX 259 HONOLULU HI 96809 Telephone number: _____		
Name and address where payment should be sent (if different from above): Telephone number: _____		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>unknown</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input checked="" type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7). <input checked="" type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(____). Amount entitled to priority: \$ <u>unknown</u>
2. Basis for Claim: <u>see attached</u> (See instruction #2 on reverse side.) 3. Last four digits of any number by which creditor identifies debtor: <u>7506</u> 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate _____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ <u>unknown</u>		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING If the documents are not available, please explain		
Date: <u>11/06/2009</u> Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. LYNNE M. KANETA, TAX COLLECTOR (el) <i>Lynne Kaneta</i>		FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both 18 U.S.C. §§ 152 and 3571

EXHIBIT A

TO: MLCS LLC fka SATURN CORPORATION
P O BOX 9025
DETROIT MI 48202-9025

Case No. 09-50027 (REG)
Priority Claim

Tax Key Acct/Lic No Lien Dates	TYPE OF TAX EIN# 38-2577506	PERIOD	TAX	PENALTY	INTEREST TO 09/16/09	TOTAL
unknown	Corp Income	2006	unknown		unknown	unknown
unknown	Corp Income	2008	unknown		unknown	unknown
* TOTAL *			Unknown		Unknown	Unknown

Date: 11/06/09
Prepared By: E. Liu
Telephone: (808) 587-1675

OAHU COLLECTION BRANCH

By: Maureen M. Kaneta
for **LYNNE M. KANETA**
Tax Collector

STATE OF HAWAII

Case No. 09-50027 (REG)

DETAIL STATEMENT OF TAXES DUE

Tax Key Acct/Lic No Lien Dates	TYPE OF TAX EIN# 38-2577506	PERIOD	TAX	PENALTY	INTEREST TO 09/16/09	TOTAL
unknown	Corp Income	1992 to 2005	unknown	unknown	unknown	unknown
unknown	Corp Income	2006		unknown		unknown
unknown	Corp Income	2008		unknown		unknown
* TOTAL *			Unknown	unknown	Unknown	Unknown

Date: 11/06/09
Prepared By: E. Liu
Telephone: (808) 587-1675

OA HU COLLECTION BRANCH

By: Mae Yokozumi
LYNNE M. KANETA
Tax Collector

§235-92 Returns, who shall make. For each taxable year, returns shall be made by the following persons to the department of taxation in such form and manner as it shall prescribe:

- (1) Every person doing business in the State during the taxable year, whether or not the person derives any taxable income therefrom. As used in this paragraph "doing business" includes all activities engaged in or caused to be engaged in with the object of gain or economic benefit, direct or indirect, except personal services performed as an employee under the direction and control of an employer. Every person receiving rents from property owned in the State is classed as "doing business" and shall make a return whether or not the person derives taxable income therefrom.
- (2) Every corporation having for the taxable year gross income subject to taxation under this chapter; provided that an affiliated group of domestic corporations may make and file a consolidated return for the taxable year in lieu of separate tax returns in the manner and to the extent, so far as applicable, set forth in sections 1501 through 1505 and 1552 of the Internal Revenue Code of 1954, as amended.
- (3) Every individual, estate, or trust having for the taxable year gross income subject to taxation under this chapter, except as exempted from the filing of a return by regulations of the department.

The department may by regulation excuse the filing of a return by an individual, estate, or trust in cases not coming within paragraph (1), where the gross income and exemptions are such that no tax is expected to accrue under this chapter, or are such that substantially all the tax will have been collected through tax withholdings or at the source. [L Sp 1957, c 1, pt of §2; am L Sp 1959 2d, c 1, §16; Supp, §121-26; HRS §235-92; am L 1968, c 24, §2; am L 1978, c 173, §2(17); gen ch 1985]

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EXHIBIT

B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re

MOTORS LIQUIDATION COMPANY,
ET AL., FKA GENERAL MOTORS
CORP., ET AL.,

Debtors.

CASE NO. 09-50026 (REG)
(Chapter 11)

(Jointly Administered)

CERTIFICATE OF SERVICE

I hereby certify that on JUN , 7 2010,
copies of DECLARATION OF ELAYNE LIU REGARDING
DEPARTMENT OF TAXATION, STATE OF HAWAII'S RESPONSE TO
DEBTORS' SEVENTEENTH OMNIBUS OBJECTION TO CLAIMS (TAX
CLAIMS ASSUMED BY GENERAL MOTORS, LLC); EXHIBITS A - B
was duly served by depositing same in the United States
mail, postage prepaid, addressed as follows:

HARVEY R. MILLER, ESQ.
STEPHEN KAROTKIN, ESQ.
JOSEPH H. SMOLINSKY, ESQ.
Weil Gotshal & Manges LLP
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New York, NY 10153

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Debtors

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Department of Treasury

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Counsel for the Official Committee of
Unsecured Creditors Holding Asbestos-
Related Claims

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ROBERT T. BROUSSEAU, ESQ.
Stutzman, Bromberg, Esserman & Plifka,
A Professional Corporation
2323 Bryan Street, Suite 2200
Dallas, TX 75201

Counsel for Dean M. Trafelet in his
capacity as the legal representative
for future asbestos personal injury
claimants

DATED: Honolulu, Hawaii, JUN 7 2010.



ELAYNE LIU